

Document No. 176
Adopted at Meeting of 1/ 10/62

RESOLUTION AUTHORIZING THE SALE, ISSUANCE, AND DELIVERY OF PRELIMINARY LOAN NOTES IN THE AGGREGATE PRINCIPAL AMOUNT OF \$ 5,005,000, THE EXECUTION OF REQUISITION AGREEMENT NO. 4, AND THE EXECUTION AND DELIVERY OF PROJECT TEMPORARY LOAN NOTE NO. 5, IN CONNECTION WITH PROJECT NO. UR Mass. 2-3

WHEREAS, Boston Redevelopment Authority (herein called the "Local Public Agency") has entered into a contract dated as of the 29th day of January, 1958, numbered Contract No. Mass. 2-3 (LG), (which, together with any supplements thereto or amendments, modifications, or waivers of any provisions thereof, is herein called the "Loan and Grant Contract"), with the United States of America (herein called the "Government") acting by and through the Housing and Home Finance Administrator, providing, in part, for a Project Temporary Loan by the Government to the Local Public Agency under Title I of the Housing Act of 1949 (Public Law 171 - 81st Congress, approved July 15, 1949), as amended, in an amount outstanding at any one time not to exceed \$ 13,080,282 to aid the Local Public Agency in its undertaking and carrying out of a certain slum clearance and urban redevelopment project (herein called the "Project") designated Project No. UR Mass. 2-3, which is more fully identified in the Loan and Grant Contract: and

WHEREAS, the Government has agreed, pursuant to Requisition Agreement No. 3 with the Local Public Agency dated as of the 23rd day of January, 1961 (herein called the "Outstanding Requisition Agreement"), to make a payment on account of said Project Temporary Loan on the 26th day of January, 1962, which Project Temporary Loan payment has been pledged for the payment of the principal of and interest upon the Preliminary Loan Notes (Third Series) of the Local Public Agency which mature on the 26th day of January, 1962, and are herein called the "Outstanding Preliminary Loan Notes": and

WHEREAS, pursuant to advertisement for the receipt of proposals for the purchase of the 4th Series of Preliminary Loan Notes (herein sometimes called "New Preliminary Loan Notes") of the Local Public Agency aggregating \$ 5,005,000, which appeared in a Notice of Sale published in the 19th issue of the 1961 December 12, 1961 issue of the Daily Bond Buyer in the City of New York, proposals for the purchase of said New Preliminary Loan Notes in the form approved by the Local Public Agency were received, opened, and canvassed at the time and place mentioned in

said advertisement, to wit: At Room 350, 73 Tremont Street
in the City of Boston, Massachusetts, at
One o'clock, P.M., E. S. T., December 27, 1961,
which proposals are as follows:

Name of Bidder	Interest Rate	Principal Amount	Premium
Chase Manhattan Bank	1.84%	\$2,000,000	\$79
Salomon Bros. & Hutzler	1.84	1,000,000	27
" " "	1.85	2,000,000	66
" " "	1.85	2,005,000	55
Bank of America	1.85	2,505,000	39
" " "	1.85	2,500,000	41
Morgan Guaranty Trust Co.	1.87	1,000,000	25
" " "	1.89	1,000,000	25
" " "	1.90	1,005,000	25
" " "	1.92	2,000,000	55
Rand & Company	1.91	1,000,000	27
Chemical Bank N. Y. Trust Co.	2.02	5,005,000	97

and

WHEREAS, the interest cost at which the Local Public Agency can sell the New Preliminary Loan Notes is substantially lower than the interest rate which the Government is required to charge the Local Public Agency under the terms of the Loan and Grant Contract, and the Government is desirous of cooperating with the Local Public Agency in its endeavor to sell said New Preliminary Loan Notes in order to reduce carrying charges and other costs of the Project:

BE IT RESOLVED BY Boston Redevelopment Authority

AS FOLLOWS:

Section 1. The aforesaid publication of the Notice of Sale and the form and contents thereof as so published are hereby, in all respects, approved, ratified and confirmed.

Section 2. In order to provide funds to defray expenses incurred or to be incurred in the Local Public Agency's undertaking and carrying out of the Project, or to retire, refund, renew, or extend its outstanding notes issued in connection therewith, the Local Public Agency hereby determines to borrow the sum of five million and five thousand

Dollars (\$ 5,005,000) and issue its negotiable New Preliminary Loan Notes therefor in aggregate principal amount equal to said sum.

and shall not be valid until said statement is duly executed on behalf of the Government. Said Project Temporary Loan Note shall be delivered by the Chairman of the Local Public Agency to the Government to be held and paid for by the Government in accordance with the terms and conditions contained in said New Requisition Agreement.

Section 8. The proceeds derived from the sale of the New Preliminary Loan Notes, together with such amount of other appropriate funds of the Local Public Agency as may be necessary, shall be applied, simultaneously with the receipt of said proceeds, as follows:

First: To the payment and discharge of the principal of and interest on the following Project Temporary Loan Notes of the Local Public Agency issued pursuant to the Loan and Grant Contract and held or to be held by the Government for its own use and benefit on the date of the New Preliminary Loan Notes herein authorized:

<u>No.</u>	<u>Date</u>	<u>Principal Amount</u>
	None	

Second: Pursuant to the provisions of the Outstanding Requisition Agreement, the following amount shall be paid to the paying agent named below, for the sole and only purpose of paying the principal of and interest to maturity upon the designated Series of Outstanding Preliminary Loan Notes of the Local Public Agency:

<u>Amount</u>	<u>Paying Agent</u>	<u>Series</u>
\$6,375,290.71	Hanover Bank 70 Broadway New York, N. Y.	3rd Series A

Any balance of such proceeds shall be deposited in the appropriate account or fund established pursuant to the Loan and Grant Contract and shall be used only in accordance with the provisions of the Loan and Grant Contract.

Section 9. The Chairman is hereby authorized and directed to send immediately a letter to each paying agent for the New Preliminary Loan Notes in substantially the form of the letter hereto attached and marked "Exhibit B" and to transmit: (1) the New Preliminary Loan Notes to said paying agent for delivery and payment in accordance with the terms of said letter; (2) \$ None of funds of the Local Public Agency to the Administrator, Housing and Home Finance Agency, to be applied against the payment of the principal of and interest to the date of payment on the Project Temporary Loan Notes described in Section 8 hereof; and (3) funds of the Local Public Agency to the paying agent of the designated Series of Outstanding Preliminary Loan Notes, to be applied against the payment of the principal of and interest to maturity on such Series of Outstanding Preliminary Loan Notes, as follows:

<u>Amount</u>	<u>Paying Agent</u>	<u>Series</u>
\$1,370,118.57	Hanover Bank	3rd Series A

Section 10. This Resolution shall take effect immediately.

